

102.03 EXAMINATION OF PLANS, SPECIFICATIONS, SPECIAL PROVISIONS, AND SITE OF WORK

Pre-bid meetings can be of value to both contractors and ITD/consultant design and construction personnel on large or complex projects. For Contractors, pre-bid meetings provide an opportunity to learn about unusual or unique project features and get answers to questions prior to bid submittal. For design personnel, pre-bid meetings provide one last chance to evaluate and improve, if necessary, the biddability and constructibility of the contract. For construction personnel they provide the same opportunities and are an integral step in the claims mitigation process.

Specifications Section 102.03 is explicit that "...Any information, specifications, plans, data or interpretations which the department discovers is lacking and may be important to all bidders will be furnished to all bidders in the form of an addendum, the receipt of which shall be acknowledged". This specification requires that **any changes resulting from a pre-bid meeting that are necessary to be contractually binding must be in the form of an addendum.**

At least three (3) weeks must be allowed between a pre-bid meeting and a bid opening so if an addendum is necessary there is ample time to issue an addendum. Minutes from pre-bid meetings must be clearly marked "FOR INFORMATION ONLY" and distributed to all plan holders at least ten (10) days prior to bid opening.

102.06 PROPOSAL GUARANTY (BIDDER'S/PROPOSAL/GOVERNMENT OBLIGATION)

The Contractor submits a proposal guaranty (bid bond) that assures the department that if chosen the successful bidder, the Contractor will enter into the construction contract. The form of the proposal guaranty (bid bond) may be a cashier's check, certified check or government obligation drawn on any Idaho bank or a bid bond issued by a bonding company. The bid bond from a bonding company is a promissory note rather than the department actually holding the funds.

The proposal guaranty is for five percent (5%) of the bid amount and is a requirement of each Contractor's bid. If the proposal guaranty does not accompany each bid, the bid is deemed irregular and is not publicly read at the bid opening.

After the bids are checked for accuracy, the bonding documents for all but the two lowest bidders are returned to the other Contractors who submitted bids for the proposed project. The bonding documents for the low and second-to-low bidders are not returned until the contract is awarded.

The Contractor with the lowest bid is notified. If the Contractor fails to sign and return the contract within fifteen (15) calendar days from the department's notification, the amount of the proposal guaranty is forfeited to the department.

If the bonding document is a cashier's check, certified check, or government obligation, the medium is returned to the successful contractor upon award of the contract. Proposal bid bonds from a bond company become void when the contract is awarded and are not returned to the Contractor except on request.

The following exhibits represent a bid bond (promissory note) and a government obligation.

S U R E T Y**PROPOSAL BOND**

KNOW ALL MEN BY THESE PRESENTS, That we _____
of _____

as Principal, and _____
as Surety, are held and firmly bound unto the State of Idaho (hereinafter called the State) in the full and penal sum of Five Percent of the total amount of the proposal of said Principal for the work hereinafter described, for the payment of which will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, firmly by these presents.

The Condition of this obligation is such, that whereas the Principal has this day submitted a sealed proposal for:
(Type either "Idaho" or "Idaho Federal Aid") Project No. «PROJECT_NO»
«LOCATION»
«COUNTY» County, Key No. «KEY_NO»

NOW THEREFORE, the above obligation is void if the Principal – (a) obtains relief pursuant to Idaho Code, Section 54-1904B; or (b) upon award by the State of the bid identified above is authorized by State and Federal law or regulation to enter into the contract, executes the contractual documents and provides the bonds required by the terms of the bid as accepted, within 15 days after presentation of the contract; otherwise this proposal bond shall remain in full force and effect.

IN WITNESS WHEREOF, The above bounden parties have executed this

instrument, this _____ day of _____, 20 ____.

Witness:

(If Individual or Firm)

(Principal)

Attest: _____

(If Corporation)

By _____

(Title)

(Corporate Seal)

(Surety)

(Business Address)

Attest: _____

By _____

(Signature)

(Print Name)

(Title)

SURETY AGENT'S POWER-OF-ATTORNEY MUST BE ATTACHED

G O V E R N M E N T O B L I G A T I O N

PROPOSAL BOND

KNOW ALL MEN BY THESE PRESENTS, That we _____

of _____

as Principal, and

as Pledgor of government obligations and the government obligations described herein, are held and firmly bound unto the State of Idaho (hereinafter called the State) in the full and penal sum of Five Percent of the total amount of the proposal of said Principal for the work hereinafter described, for the payment of which will and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, firmly by these presents.

The Condition of this obligation is such, that whereas the Principal has this day submitted a sealed proposal for:

(Type either "Idaho" or "Idaho Federal Aid") Project No. «PROJECT_NO»

«LOCATION»

«COUNTY» County, Key No. «KEY_NO»

PLEDGE

To secure payment and performance of all obligations contained herein, _____ (Pledgor), does hereby grant unto the State of Idaho a security interest in and assigns, transfers, pledges and delivers to the State of Idaho government obligations as described in the following paragraph and further warrants that said government obligations meet the criteria set forth in Idaho Code, Section 54-1901, are in an amount equal at fair market value to the total amount of this bond and are not currently pledged or otherwise encumbered or obligated. Pledgor further authorizes the State of Idaho to collect or sell the described government obligations if Principal defaults by failing to enter a contract as provided herein.

The government obligations pledged are described as follows:

(**see note below) _____

NOW THEREFORE, the above obligation is void if the Principal – (a) obtains relief pursuant to Idaho Code, Section 54-1904B; or (b) upon award by the State of the bid identified above is authorized by State and Federal law or regulation to enter into the contract, executes the contractual documents and provides the bonds required by the terms of the bid as accepted, within 15 days after presentation of the contract; otherwise this proposal bond shall remain in full force and effect.

****Note:** Description must include the obligation type, CUSIP No., par value, current market value and maturity date.

IN WITNESS WHEREOF, The above bounden parties have executed this instrument, this

day of , 20 .

Witness: _____
(If Individual or Firm)

(Principal)

Attest: _____
_____ (If Corporation)

By _____

(Corporate Seal)

(Title)

(Surety)

(Business Address)

Attest: _____

By

(Signature)

(Print Name)

(Title)

SAFEKEEPING RECEIPT

The _____ Bank acknowledges receipt from the State of Idaho and _____ the Pledgor, the following described government obligations:

The described government obligations have been pledged by _____ to the State of Idaho pursuant to the terms of that certain _____ bond for public project number _____, executed by _____ as Principal and _____ as Pledgor. A copy of said Bond is attached hereto and made a part hereof.

_____ hereby warrants:

1. That the government obligations described herein are held by the _____ Bank as custodian for Pledgee, State of Idaho and will be so held until Pledgee releases said government obligations in writing.
2. That the government obligations described herein are not currently pledged or otherwise encumbered or obligated.
3. That the described government obligations have a fair market value of _____ (\$_____) Dollars.
4. That upon written request of Pledgee, State of Idaho the described government obligations will be turned over to Pledgee for negotiation or said government obligations will be sold with some or all proceeds delivered to Pledgee.
5. That the described government obligations or the proceeds thereof will not be turned over or released to any person or entity other than the Pledgee without written direction of Pledgee or an order of a court of competent jurisdiction.

DATED this _____ day of _____, 20____.